

1 Amend 2 Cal. Code Regs. Section 18401:

2 **18401. Required Recordkeeping for Chapter 4**

3
4 (a) Maintenance of Documents

5 It shall be the duty of each candidate, treasurer and elected officer to maintain
6 such detailed accounts, records, bills, and receipts as shall be necessary to prepare
7 campaign statements and to comply with the provisions of Government Code, Title 9,
8 Chapter 4 (Sections 84100, et seq.). The duty includes maintenance of detailed
9 information and original source documentation, as follows:

10 (1) For a contribution received or other receipt of less than \$25, or an expenditure
11 made of less than \$25:

12 (A) The accounts and records shall contain a continuous computation of
13 campaign account balances, and also shall include a listing reflecting the dates and daily
14 totals of such contributions, other receipts, or expenditures on the dates of such
15 contributions, other receipts or expenditures.

16 (B) The original source documentation shall consist of all bank statements, check
17 registers, check stubs, bank or passbooks, and any other records reflecting a continuous
18 computation of campaign account balances in any savings or checking account, money
19 market account, certificate of deposit, credit card account, or any other campaign
20 account, in any bank or other financial institution.

21 (2) For a contribution received or other receipt of \$25 or more, but less than
22 \$100:

23 (A) The accounts and records shall contain all information required in
24 subdivision (a)(1)(A) above, and shall include the date of each contribution or other

1 receipt, the amount, and the full name and street address of the contributor or the source
2 of the other receipt. In the case of a contribution, the accounts and records also shall
3 contain the cumulative amount received from the contributor and shall specify whether
4 the contribution is monetary or nonmonetary. In the case of a nonmonetary contribution,
5 the fair market value must be recorded, along with a description of the goods or services
6 received. If, however, a contribution is received through an intermediary or agent, as
7 defined in ~~California Code of Regulations, Title 2, Section 2~~ Cal. Code Regs. section
8 18432.5, the accounts and records shall contain the full name and street address,
9 occupation, and employer (or, if self-employed, the name of the principal place of
10 business) of the intermediary or agent and of the true source of the contribution.

11 (B) The original source documentation shall consist of all items required in
12 subdivision (a)(1)(B) above, and of copies of contributor checks, cashier's checks, money
13 orders, wire transfers, deposit or duplicate deposit slips, and any other documents,
14 reflecting all items deposited, and all deposits made, to any campaign account, in any
15 bank or other financial institution. Original source documentation shall include
16 contributor cards, letters of transmittal, and notices received from contributors. In
17 addition, in the case of a nonmonetary contribution, if the contributor has not provided a
18 notice indicating the value of such nonmonetary contribution, the original source
19 documentation shall include a memorandum or other record which describes the method
20 used to determine the value of the goods or services contributed.

21 (3) For a contribution received of \$100 or more:

22 (A) The accounts and records shall contain all information required in
23 subdivisions (a)(1)(A) and (a)(2)(A) above, and shall include the occupation and

1 employer (or, if self-employed, the name of the principal place of business) of any
2 contributor. Government Code section 85700 requires the return, not later than 60 days
3 from receipt, of any contribution of \$100 or more for which the candidate or committee
4 does not have on file the name, address, occupation and employer of the contributor. 2
5 Cal. Code Regs. section 18570 sets forth additional recordkeeping requirements
6 concerning occupation and employer information and addresses returning contributions
7 that lack the required information.

8 (B) The original source documentation shall consist of all items required in
9 subdivisions (a)(1)(B) and (a)(2)(B) above, and of all communications caused to be sent
10 by the candidate, treasurer, elected officer, or committee in order to secure this
11 information.

12 (4) For an expenditure of \$25 or more, or a series of payments for a single
13 product or service which totals \$25 or more:

14 (A) The accounts and records shall contain the date the expenditure was made
15 (or, for an accrued expense, the date the goods or services were received), the amount of
16 the expenditure, the full name and street address of the payee, and a description of the
17 goods or services for which each expenditure was made. If the person or vendor
18 providing the goods or services is different from the payee, the accounts and records shall
19 contain the same detailed information for such person or vendor. For an expenditure
20 which is a contribution to another candidate or committee, or is an independent
21 expenditure, the records shall contain the cumulative amount of such contributions to, or
22 independent expenditures to support or oppose, each candidate, committee, or ballot
23 measure.

1 (B) The original source documentation shall consist of cancelled checks, wire
2 transfers, credit card charge slips, bills, receipts, invoices, statements, vouchers, and any
3 other documents reflecting obligations incurred by the candidate, elected officer,
4 campaign treasurer, or committee, and disbursements made from any checking or savings
5 account, or any other campaign accounts, in any bank or other financial institution.

6 (5) For a loan made or received:

7 (A) The accounts and records shall contain the detailed information set forth in
8 subdivisions (a)(1)(A), (a)(2)(A), and (a)(3)(A) above, and shall include the interest rate
9 and due date, if any, of the loan, and the full name and street address of any guarantor, or
10 any person liable directly, indirectly, or contingently for the loan.

11 (B) The original source documentation shall consist of all promissory notes,
12 extensions of credit, security agreements, loan guarantees, and any other documents
13 reflecting the indebtedness.

14 (6) For receipt of an enforceable promise to make a payment, as defined in
15 ~~California Code of Regulations, Title 2, Section 2~~ Cal. Code Regs. section 18216:

16 (A) The accounts and records shall contain the detailed information required for a
17 contribution set forth in subdivisions (a)(1)(A), (a)(2)(A), and (a)(3)(A) above.

18 (B) The original source documentation shall consist of written contracts and any
19 other documents reflecting the enforceable promise to pay.

20 (7) For each mass mailing as defined in Government Code ~~Section~~ section
21 82041.5, sent or delivered pursuant to ~~California Code of Regulations, Title 2, Section 2~~
22 Cal. Code Regs. section 18435:

1 (A) The accounts and records shall contain the date of the mailing, the number of
2 pieces mailed, and the method of postage.

3 (B) The original source documentation shall consist of an original sample of each
4 such mass mailing, caused to be sent by the candidate, treasurer, elected officer, or
5 committee.

6 (8) For all written notices sent to all contributors of \$5,000 or more, pursuant to
7 Government Code ~~Section~~ section 84105 and ~~California Code of Regulations, Title 2,~~
8 ~~Section 2~~ Cal. Code Regs. section 18427.1:

9 (A) The accounts and records shall contain the date of each notice and the name
10 and address of the person to whom each notice is sent.

11 (B) The original source documentation shall consist of a copy of each notice sent.

12 (b) Retention of Documents

13 (1) It shall be the duty of each filer, as defined in Government Code ~~Section~~
14 section 82026, to retain the accounts, records, bills and receipts, and other original source
15 documentation required to be maintained pursuant to subdivision (a) of this regulation.

16 (2) The accounts, records, bills and receipts, and original source documentation
17 shall be retained by the filer for a period of four years following the date that the
18 campaign statement to which they relate is filed. However, in the case of an elected state
19 officer serving a four-year term, the records for campaign statements filed during the first
20 year following his or her election must be kept for five years following the date such
21 statements are filed.

22 COMMENT: In addition to other recordkeeping requirements in the Act or regulations,
23 candidates and committees must keep the records required in 2 Cal. Code Regs. section
24 18428 regarding contributions from affiliated entities. Additional recordkeeping
25 requirements for candidates for the state Legislature and statewide elective office are

1 found in 2 Cal. Code Regs. section 18536 concerning the transfer and attribution of
2 contributions, and 2 Cal. Code Regs. section 18540 concerning the allocation of
3 expenditures to the primary, general, special or runoff election for purposes of the
4 voluntary expenditure ceilings.

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6 NOTE: Authority cited: Section 83112, Government Code.

7 Reference: Sections 84104, 84100-84400 and 85700, Government Code.

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